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INFO IRAN COLLECTIVE PRIORITY

C O N F I D E N T I A L SECTION 01 OF 06 STATE 009124

SIPDIS

E.O. 12958: DECL: 12/13/2030
TAGS: PARM PREL IR UNSC
SUBJECT: MOBILIZING PRESSURE TO PERSUADE IRAN'S
ENGAGEMENT ON ITS NUCLEAR PROGRAM

Classified by NEA Assistant Secretary Jeffrey D. Feltman
for Reasons 1.4 (b) and (d).

REF A: STATE 120288

¶1. (U) This is an action request. Please see
paragraphs 2-5.

SUMMARY

¶2. (C) The United States, along with its partners, has made an unprecedented effort to engage Iran in an effort to diplomatically resolve the international community's concerns with Iran's nuclear program. Iran's lack of constructive response so far, and its continued reluctance to cooperate with international efforts to build confidence and transparency in its nuclear program, demand a response. Department requests posts to draw on the attached narrative to explain our rationale for why sharpening the choice that Iran faces, by increasing pressure, is necessary at this point, and to secure the cooperation of host governments in these efforts. End Summary.

OBJECTIVES

¶3. (C) FOR ALL POSTS (except Moscow, Paris, Beijing, London and Berlin): Please draw on narrative beginning in paragraph 11 to:

-- Highlight U.S. efforts to mobilize diplomatic engagement with Iran in 2009;

-- Underscore the lack of a meaningful Iranian response to those efforts, especially since the P5+1 political directors meeting with Iran in Geneva on October 1, 2009;

-- Outline U.S. view of next steps, including increasing pressure on Iran; and

-- Seek enhanced bilateral cooperation to increase pressure.

¶4. (C) FOR MOSCOW, PARIS, BEIJING, LONDON, AND BERLIN: Posts may share the general tenor of our message but do not need to deploy the points themselves with host governments.

¶5. (C) Points should be deployed by Ambassadors to most appropriate senior counterparts. Posts may not leave any part of this message in writing with host governments.

DEADLINE

¶6. (U) Posts should report any substantive response to their efforts by February 3. Elisa Catalano (NEA/FO, catalanoe@state.sgov.gov, 647-9533) and Richard Nephew (ISN/RA, nephewrm@state.sgov.gov, 647-7680) are the Department's POCs.

BACKGROUND

¶7. (SBU) With its P5+1 partners, the U.S. has been pursuing a policy towards Iran that includes engagement

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and incentives, as well as pressure. Since the 1 October 2009 meeting of the P5+1 Political Directors and representatives from Iran, the United States has been working closely with its partners to engage with Iran to build international confidence in the peaceful nature of its nuclear program. Based on the agreement in principle reached with Iran in Geneva, we have focused on supporting the IAEA's proposal for refueling the Tehran Research Reactor (TRR), facilitating the IAEA's investigation of the previously clandestine uranium enrichment plant at Qom, and pressing for a follow-on meeting between P5+1 Political Directors and Iranian representatives explicitly on Iran's nuclear program.

¶8. (C) The results since October 1 have been disappointing. Iran has not accepted the IAEA's TRR proposal; instead, Iran has rejected a series of updated and more flexible proposals from the IAEA and our partners on some terms of the proposal (REF A), and has offered a substantially different counterproposal which fails to address the concerns about its nuclear program, does not fulfill the objective of building confidence in Iran's nuclear intentions, and, as EU High Representative Lady Ashton described, in effect rejects the IAEA's proposal. Iran has also announced its intent to expand its nuclear program, including its intention to start enriching uranium to higher levels to make its own TRR fuel if its terms are not accepted on the fuel deal. Although Iran granted IAEA access to the facility at Qom, its cooperation was limited and there remain serious questions about Iran's intentions for the facility, which is in open defiance of five UN Security Council resolutions. Finally, Iran to date has gone back on its earlier commitment to meet again with the P5+1 to discuss its nuclear program.

¶9. (SBU) Former IAEA Director General El-Baradei released his latest report on Iran on November 16, 2009, and the IAEA Board of Governors (BoG) adopted a resolution on Iran on November 27, 2009. The resolution notes the Board of Governors' serious concern that Iran continues to defy the requirements and obligations contained in UNSC resolutions and IAEA resolutions. The Board of Governors also expressed its serious concern that contrary to the request of the Board of Governors and requirements of the UN Security Council, Iran has

neither implemented the Additional Protocol nor provided the access necessary for the IAEA to provide assurance as to the absence of additional undeclared nuclear activities.

¶10. (U) President Obama, Secretary Clinton, and other P5+1 leaders identified the end of 2009 as a key period for assessing Iran's responsiveness. While the offer of engagement remains on the table, we have begun to work with partners to prepare new measures to increase pressure on Iran.

DIPLOMATIC POLICY NARRATIVE

¶11. (U) Begin talking points:

Overview: Where We've Been, and Where We Are

-- The President made clear his readiness to open a new page in our relations with Iran, based on mutual respect. This new approach featured our offer to engage Iran directly, as well as our readiness to become a full and active participant in the P5+1's efforts to resolve international concerns about Iran's nuclear program through negotiations.

-- We stated clearly our support for Iran's right to the peaceful uses of nuclear energy provided Iran meets its

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international obligations and carries out its responsibilities within the NPT framework.

-- When we met with the Iranian delegation in Geneva on October 1, along with our P5+1 partners, we sought Iran's commitment to three concrete actions, which would demonstrate its intentions for its nuclear program:

-- support the IAEA's proposal for refueling the Tehran Research Reactor;

-- facilitate the IAEA's full investigation of the previously clandestine uranium enrichment plant at Qom;

-- agree to a follow-on meeting between P5+1 Political Directors and Iranian representatives by the end of October, explicitly focused on nuclear issues but also open to discussion of any issues raised by any party.

-- Each of these agreed actions presented Iran with an important opportunity to begin to assure the international community about its intentions for its nuclear program and to pursue together a diplomatic resolution to our differences.

-- Iran has not followed through on any of these three commitments.

-- President Obama also stated last year that we would continually assess Iran's responsiveness to these offers, and that the end of the year would present a key period of assessment.

-- It is increasingly clear that Iran has not taken advantage of the opportunities we have offered.

-- A year into the Obama administration, Iran has not taken practical, concrete steps that would begin to create confidence in its nuclear intentions. Iran:

-- Continues to enrich uranium despite UNSC requirements that it suspend such operations;

-- Revealed it had been building a secret uranium enrichment facility at a military base near Qom, in violation of its safeguards agreement and UN Security Council resolutions;

-- Continues to refuse cooperation with the IAEA in addressing the full range of IAEA questions about the peaceful purposes of its nuclear program;

-- Has not accepted the IAEA proposal to refuel the TRR, which was a response to an Iranian request, despite U.S. and our partners' significant efforts to be flexible and address Iranian concerns with the deal; and

-- Since meeting with representatives of the five permanent members of the Security Council and Germany in Geneva on October 1, has refused all subsequent efforts to schedule another meeting to discuss its nuclear program.

-- Iran has not been able to say "yes" to a balanced IAEA proposal that would provide fuel for its Tehran Research Reactor and begin to build mutual trust and confidence, notably by transferring 1,200kgs of its low enriched uranium abroad as an indication of Iran's peaceful nuclear intent.

-- Underscoring the significance of the IAEA's TRR proposal, in November 2009, former IAEA DG ElBaradei said that the proposal had "extensive built-in guarantees...the Russians are guaranteeing implementation.

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The Americans are ready for the first time to guarantee the implementation. The [IAEA] will take custody of Iran's material so the international community as a whole will guarantee" implementation.

-- On Iran's desire to retain possession of its nuclear material under delivery of the fuel (which is the basis of Iran's counterproposal), Dr. ElBaradei rejected this approach, saying publicly in November after Iran first raised this idea that this would "defeat the whole purpose of the IAEA's agreement...this is not a solution.";

-- While it allowed IAEA inspectors to visit its newly revealed enrichment site near Qom, it did not provide the IAEA with the full access the organization requested, notably by agreeing to the IAEA's request for access to specific Iranian nuclear officials and answering IAEA questions regarding the history and purpose of the facility. The clandestine construction of this facility was inconsistent with Iran's IAEA Safeguards Agreement, and is in open defiance of UN Security Council resolutions.

-- As the IAEA reported in November 2009, Iran continues to develop its nuclear program regardless of international concerns and IAEA, NPT, and UNSC requirements - most starkly in its construction of a secret uranium enrichment facility at a military base near Qom. As former Director General El-Baradei's report on November 16 outlines, this facility and the circumstances surrounding it raises the persistent question of additional such undeclared facilities.

-- The IAEA report makes clear that Iran has failed to cooperate fully and transparently with the IAEA, answering questions about the use of this facility and the possibility of other facilities.

-- Iran has failed to take advantage of the creative TRR proposal, engage with us constructively on other elements of its nuclear program, and cooperate fully

with the IAEA. It also still defies UNSC requirements that it suspend its enrichment program, instead announcing an expansion of its nuclear program. Even more, it is threatening to begin enriching its LEU to higher levels of enrichment if the international community does not accept a TRR deal on its terms, terms that would not build confidence as they would reduce and delay transfers of LEU from Iran.

-- Iran's continued nuclear activities and its refusal to engage meaningfully with the international community risks a possible arms race in the region and undermines the global international nonproliferation regime as a whole.

-- As you know, Israel has stated that an Iran with nuclear weapons poses a great threat to its security and that it reserves the right to defend itself. We believe Iran's continued non-compliance with its international obligations regarding its nuclear program poses serious threats to stability in the region. Presenting Iran with a united global front is the best avenue to resolve the Iranian nuclear issue through diplomatic means.

-- In addition to its disregard of its nuclear-related obligations, Iran continues to support terrorist organizations like Hamas and Hezbollah, and militant groups in Iraq. It also provides some support to the Taliban to facilitate attacks against ISAF forces in Afghanistan.

-- Also of deep concern to the international community is the dramatic uptick in repression inside Iran. As Secretary Clinton said recently, we are deeply disturbed

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by the ruthless repression that Iran is exercising against its citizens who seek to exercise their universal right to free expression and assembly.

The Pressure Aspect of the Strategy: Making the Case

-- The two elements of the P5+1 strategy - engagement/incentives and pressure -- were always intended to run in parallel, because without a credible threat of consequences, it is unlikely that Iran will make a strategic or even tactical change in direction.

-- For that reason, we have always recognized the possibility that we would need to increase pressure to sharpen the choice that Iran faces in order to persuade Iran that the international community is serious.

-- Still, our emphasis over the course of this year has been on outreach and engagement rather than pressure. Unfortunately, to date, Iran has failed to respond constructively.

-- Pressure is not an end in itself; it is a means to encourage Iran to recalculate costs and benefits, and to return to a course of constructive engagement at the negotiating table. But without unmistakable and meaningful consequences, there seems little prospect for such a return.

-- The international community has already imposed strict measures on Iran via various multilateral fora to demonstrate that Iran cannot ignore its responsibilities without cost. We believe a more aggressive enforcement of this existing and robust international framework, along with the application of significant additional pressure, will illustrate to Iran the sharp choices it faces should it continue to rebuff efforts to resolve our differences diplomatically.

-- Unity among members of the international community is absolutely essential to demonstrate to Iran that there are serious consequences for its continued refusal to engage constructively with the international community over its nuclear program. Such unity was clear when the IAEA Board of Governors adopted its Iran resolution in November. It was also clear in the European Council's declaration on Iran issued in December. Both were useful and immediate opportunities to increase pressure on Iran.

-- We believe Iran's continued non-compliance regarding its nuclear program deserves the full and urgent attention of the international community.

Next Steps

-- We stand behind our offer to engage with Iran, but we are rapidly approaching the moment when we will have to give full meaning to all elements of our strategy. We, along with our partners, believe that the time has come to increase pressure on Iran. Such pressure is necessary to uphold the integrity of the UNSC and IAEA, and demonstrate that continued non-compliance has consequences.

-- The U.S. believes that multilateral pressure would be best achieved through new UN Security Council action and swift implementation of that action.

-- However, UN action alone may not be sufficient to persuade Iran to change course. There is much more that can and should be done immediately to implement measures already required under the existing international sanctions framework. We therefore ask our partners to

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ensure that we are collectively enforcing all those measures that are already in place as comprehensively as possible.

-- We regret that Iran has missed repeated opportunities for meaningful engagement. Our intent is not to escalate a conflict, but to press for a diplomatic resolution. Inaction is what the Iranians are hoping for, as they draw closer to achieving a nuclear weapons capability.

-- On January 16, we and our P5+1 partners met to take stock and discuss next steps regarding Iran. As the Chair's statement reflects, we agreed that Iran has failed to follow up on the key understandings reached in our meeting with the Iranian delegation on October 1, 2009. We are united and remain committed to our approach - while we will continue to seek a negotiated diplomatic solution, we believe it is time for consideration of appropriate further measures.

-- We are here today to intensify our consultations with you, as one of our partners in the international community, on next appropriate steps aimed to persuade Iran to bring its nuclear program into full compliance with its international obligations.

-- We urge these steps with steady determination that we must do everything we can, including applying greater pressure, to encourage Iran to return to a constructive course of engagement.

FOR EU MEMBER STATES, USEU, AND TOKYO ONLY:

-- As we move ahead with and beyond the UN process, we also will want to work with you to agree on additional actions we could take on a coordinated, national basis to magnify the impact of a new Security Council

Resolution and demonstrate to Iran our seriousness of purpose.
CLINTON